Statement

SALIENT FEATURES OF ELECTRONIC HARDWARE TECHNOLOGY PARKS (EHTP) SCHEME

An EHTP may be set up by the Central Government, State Government, Public or Private Sector Undertakings or any combination thereof. An EHTP may be an individual unit by itself or it may be one of such units located in an area designated as EHTP.

An EHTP unit may import free of duty all types of goods including capital goods required by it for its production provided they are not prohibited items in the Negative List of Imports of the Export and Import Policy (1992—97).

An EHTP is a duty free and bonded area under Section 25 of the Customs Act, 1962.

"Value Addition" for the purpose of this scheme shall be expressed as a percentage and shall be calculated for a period of five years according to the following formula :—

$$VA = \frac{A-B}{A} \times 100, \text{ where}$$

VA is Value Addition, A is the FOB value of exports and B is sum of the CIF value of all imported inputs.

The domestic market access entitlement is based on the Value Addition achieved by the EHTP unit. Although no minimum Value Addition is stipulated for setting up an EHTP units, there would be no access to domestic market available to the EHTP unit with less than 15% Value Addition. 25% in case of equipment and 30% in case of component and material if the value addition is 15%—25% and 30% in case of the equipment and 40% in case of components and materials, if the value addition is more than 25%.

An EHTP will be exempted from payment of corporate income tax for a block of five years in the first eight years of its operation.

Foreign equity upto 100% is permissible in the case of EHTP units.

An EHTP unit may be set up for both software and hardware in an integrated manner subject to the condition that the minimum value addition for the software components will be 60% and the Domestic Tariff Area (DTA) sale of software shall be restricted to 25% of the production of software in value terms.

Areas of bilateral cooperation with France

596. SHRI NYODEK YONGGAM : Will the PRIME MINISTER be pleased to state :

(a) what are the areas of bilateral cooperation in Science; technology, trade and allied sectors with France; and

(b) whether there are any new identified areas of mutual benefits in this direction; if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) The main areas of Indo-French bilateral cooperation cover joint scientific research programmes, telecommunications, nuclear energy, space, agriculture & rural development, Petro-chemicals, fertilizers, drugs and chemicals and coal and mining. The institutional mechanisms for promoting cooperation in the above areas include the Indo-French Centre for the Promotion of Advanced Research, the Joint Committee on Trade and the Joint Business Council.

(b) During PM's visit to France in September '92, the following new areas were identified for cooperation, development of non-conventional energy sources, the hydrocarbon sector and water management.

Opening of border points on the China Border

597. SHRI VISHWASRAO RAMRAO PATIL : Will the PRIME MINISTER be pleased to state :